



ARKANSAS INSURANCE DEPARTMENT
ACCOUNTING DIVISION
1200 WEST THIRD STREET
LITTLE ROCK, AR 72201-1904
PHONE (501) 371-2605
<http://www.arkansas.gov/insurance/>

**PREMIUM TAX INSTRUCTIONS
TITLE AND AVIATION TITLE INSURANCE COMPANIES**

READ THESE INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE FORMS

DUE DATE: MARCH 1, 2005

EACH INSURER MUST FILE THE FOLLOWING:

1. 2004 FORM AID AC TI-T (ANNUAL REPORT OF PREMIUMS, TAXES AND FEES); WITH SUPPORTING DOCUMENTATION AND CHECK ATTACHED
2. 1 COPY OF SCHEDULE T

All tax filings and payments must be received on or before **March 1, 2005**; the Department does not accept the postmark date. No authority exists for granting any extension of time for filing or payment. Any insurer that fails to report or pay tax will be subject to penalty in accordance with ACA 26-57-607.

For questions concerning the completion of tax forms, contact the Accounting Division at (501) 371-2605 or email us at insurance.accounting@arkansas.gov

Do not mail the premium tax forms and checks with the annual statement or any other correspondence. Premium tax forms and payments must be mailed to the following address:

**Arkansas Insurance Department
Accounting Division
1200 West Third Street
Little Rock AR 72201-1904**

**THE FOLLOWING FORM IS TO BE RETURNED TO THE ADDRESS NOTED ON THE FORM.
DO NOT INCLUDE WITH THE PREMIUM TAX FILINGS:**

COPRORATE FRANCHISE TAX:	Remit to the Office of the Secretary of State, Attention: Charlotte Martin, 1401 Capitol Ave., Victory Bldg., Suite 250, Little Rock AR 72201.
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INSTRUCTIONS FOR AID AC TI-T (ANNUAL REPORT OF PREMIUMS, TAXES AND FEES)

The retaliatory column is to be completed as if your company was an Arkansas company completing the form for your state of domicile. Taxes and fees, which would be charged an Arkansas company, should be included for retaliatory purposes. Attach a detailed schedule if more than one rate applies for the state of domicile.

SECTION A: DIRECT WRITTEN PREMIUMS:

- (1) A complete explanation of any differences between the tax form, and Schedule T must be attached.
- (3) For entries on this line, a detailed explanation must be attached.

SECTION B: STATE OF DOMICILE TAXES/FEES § 23-63-102

All entries in this section must be itemized with supporting documentation and computations, if applicable. Forms from the State of Domicile should be used for computations. Documentation such as “other fees” or “other credits” is not acceptable.

SECTION C: PREMIUM TAX

If your state of domicile imposes a minimum tax, enter the amount in column 2.

SECTION G: INFORMATION REGARDING THE ARKANSAS CREDITS**Affordable Neighborhood Housing Tax Credit §§ 15-5-1303, 15-5-1304**

Insurers that perform affordable housing assistance activities may take a premium tax credit for up to 30% of the total amount invested and not to exceed \$750,000 in any taxable year. Program must meet standards of and be approved by Arkansas Development Finance Authority.

Low-Income Housing Tax Credit § 26-51-1702

Insurers are allowed a state income or premium tax credit equal to 20% of the federal low-income housing tax credit not to exceed \$250,000 in any taxable year. The credit is available for insurers that own an interest in a qualified project for which the Arkansas Development Finance Authority has issued an eligibility statement.

County or Regional Industrial Development Corporation on Limited Liability Company § 15-4-1224

Insurers may take a premium tax credit for investments in a county or regional industrial development firm. The credit is equal to 33.33% of the actual purchase price of stock or units of interest and fees paid (with limitations). The maximum credit in one tax year is 50% of the net premium tax liability. Excess may be carried forward for three years.

Capital Development Corporation Tax Credit §§ 15-4-1026, 15-4-1029(f)(1)

Person who purchases an equity interest in a capital development company between 2003 through 2013 is entitled to a credit against any state income tax liability or premium tax liability, which may be imposed on the purchaser for any tax year commencing with the tax year, which is two years after the date of the purchase. The credit shall be equal to thirty-three and one-third (33 1/3) of the actual purchase price paid for the equity interest to the company, including any fees or commissions to underwriters or sales agents paid by the company. No fees or commissions in excess of fifteen percent (15%) of the total purchase price may be considered in calculating the amount of the credit. In any one-tax year, the credit shall not exceed fifty percent (50%) of the net state income tax liability or premium tax liability of the taxpayer after all other credits or reductions in tax have been calculated. No credit under this section is allowed for any tax year after December 31, 2019.

Upon dissolution, if the proceeds from the purchase of the equity interest have not been used for the purposes stated in § 15-4-1016 or for operating expenses, then each person who previously claimed a tax credit with respect to that purchase, the tax imposed for the year the dissolution occurs shall be increased by the tax credit amount associated with the unused purchase proceeds.

SECTION H:

The amount of quarterly prepayments must agree with the ACTUAL prepayment amounts paid each quarter.
DO NOT ROUND AMOUNTS.

Make one check payable to the State Treasurer of Arkansas and attach to the form. Checks for groups are not acceptable. Payment must be made for each individual company.

REFUNDS:

If a negative amount results, it cannot be carried forward. A refund will be processed after the audit is completed.

If a refund is due for AID AC TI-T (annual report of premiums, taxes, and fees) check the line on page 1, in the upper right hand corner of the form.

**ARKANSAS INSURANCE DEPARTMENT****2004 FORM AID AC TI-T**ACCOUNTING DIVISION
1200 WEST THIRD STREET
LITTLE ROCK, AR 72201-1904
PHONE: (501) 371-2605
www.arkansas.gov/insuranceACCOUNTING DIVISION
DUE MARCH 1, 2005

___ ORIGINAL FILING

___ AMENDED FILING

___ REFUND DUE

**ANNUAL REPORT OF PREMIUMS, TAXES AND FEES OF ALL
TITLE AND AVIATION TITLE INSURANCE COMPANIES**

STATE OF DOMICILE		NAIC COMPANY CODE (5 digit code)
COMPANY NAME		
MAILING ADDRESS		
CONTACT PERSON		
TELEPHONE NUMBER	EXT	FAX NUMBER
EMAIL ADDRESS		

**Column 1
Arkansas Tax****Column 2
State of Domicile Tax
on Arkansas Insurer
Tax Rate_____****A. TITLE INSURANCE PREMIUMS:**PAGE 52, LINE 4, COLUMNS 3, 4, & 5 (INCLUDING BUT NOT LIMITED TO:
COST OF TITLE SEARCH/EXAMINATIONS; POLICY ISSUING COST; AMOUNT
RETAINED BY OR COMMISSIONS TO AGENTS/ABSTRACTORS/ATTORNEYS
OVERHEAD AND MISCELLANEOUS EXPENSES; EXPECTED LOSSES AND
ALAE FROM UNDERWRITING THE RISK; AND PROFIT MARGIN AND
EXCLUDING NON-DIRECT CHARGES OF AGENTS AND PRODUCERS

1. DIRECT WRITTEN PREMIUMS	\$ _____	\$ _____
2. PLUS FINANCE AND SERVICE CHARGES	\$ _____	\$ _____
3. PLUS POLICY MEMBERSHIP AND OTHER FEES INCLUDING PREMIUM INCOME	\$ _____	\$ _____
4. NET TAXABLE PREMIUMS	\$ _____	\$ _____
5. TAX THEREON 2 1/2%	\$ _____	\$ _____

B. STATE OF DOMICILE : READ INSTRUCTIONS

6. ADDITIONAL TAXES AND FEES	\$XXXXXXXXXXXXX	\$ _____
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C. TOTAL PREMIUM TAX:

7. A(5) + B(6) AMOUNT CANNOT BE LESS THAN ZERO	\$ _____	\$ _____
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D. FEES:

8. FILING ANNUAL STATEMENT	\$ 50.00	\$ _____
9. CERTIFICATE OF AUTHORITY RENEWAL	\$ 100.00	\$ _____
10. TOTAL FEES	\$ 150.00	\$ _____

E. AGGREGATE LIABILITY OF TAXES AND FEES:11. FOR CALENDAR YEAR 2004 WITHOUT DEDUCTION OF
PREPAYMENTS-LINES C(7) + D(10)

\$ _____	\$ _____
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NAIC_____

COMPANY NAME_____

2004 FORM AID AC TI-T

F. BASED ON SECTION E, LINE 11, MARK THE COLUMN WITH THE GREATER AMOUNT:COLUMN 1 - ARKANSAS ☐COLUMN 2 - STATE OF DOMICILE ☐**USING THE AMOUNTS FROM THE COLUMN MARKED ABOVE, COMPLETE THE FOLLOWING:**

12. PREMIUM TAX FROM SECTION C (7) \$_____

G. CREDITS:

13. AFFORDABLE NEIGHBORHOOD HOUSING CREDIT \$(_____)

14. LOW-INCOME HOUSING TAX CREDIT \$(_____)

15. SUBTOTAL F (12) LESS G (13) AND G (14) \$_____

16. COUNTY & REGIONAL INDUSTRIAL DEVELOPMENT CORP CREDIT \$(_____)

17. CAPITAL DEVELOPMENT CORPORATION CREDIT \$(_____)

H. NET PREMIUM TAX:

18. G (15) LESS G (16) AND G (17) \$_____

19. FEES FROM SECTION D LINE 10 \$_____

20. PREMIUM TAX AND FEES DUE \$_____

21. LESS 2004 QUARTERLY PREPAYMENTS
2004 FORM AID AC EST-Q (RECORD BELOW) \$(_____)

22. NET PAYMENT DUE \$_____

2004 Form AID AC EST-Q Quarterly Prepayments

3/31/04	check #	\$
6/30/04	check #	\$
9/30/04	check #	\$

*****PAYMENTS AND REFUNDS*****

- 1 **MAKE CHECK PAYABLE TO THE STATE TREASURER OF THE STATE OF ARKANSAS AND ATTACH TO THIS FORM**
(CHECKS FOR GROUPS ARE NOT ACCEPTABLE. PAYMENT MUST BE MADE FOR EACH INDIVIDUAL COMPANY)
- 2 DO NOT TAKE ANY CREDITS FOR PRIOR YEAR OVERPAYMENTS.
- 3 IF THE NET PAYMENT RESULTS IN A REFUND, DO NOT SEND A CHECK FOR THE FEES IN SECTION D.
- 4 REFUNDS WILL BE SENT AFTER THE RETURN IS AUDITED.

ATTACH THE FOLLOWING TO THIS FORM:

- 1 () SUPPORTING DOCUMENTATION FOR SECTION B
- 2 () COPY OF PAGE 52 OF THE 2004 ANNUAL STATEMENT
- 3 () ONE CHECK FOR THE NET PAYMENT DUE

AFFIDAVIT

STATE OF _____

COUNTY OF _____

COMES _____ AND STATES ON OATH THAT

HE/SHE IS THE _____ OF _____
(TITLE) (NAME OF COMPANY)

AND THAT THE FOREGOING STATEMENTS ARE TRUE AND CORRECT AS SHOWN BY THE RECORDS OF SAID COMPANY.

(ORIGINAL SIGNATURE OF OFFICER)

SUBSCRIBED AND SWORN TO OR AFFIRMED BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, ON THIS THE

_____ DAY OF _____, 20__.

NOTARY_____
MY COMMISSION EXPIRES